(c) the details of the steps being contemplated by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The revised estimate of revenue foregone, for the financial year 2006-07, owing to Central Excise exemptions is Rs. 75,475 crore and owing to direct tax exemptions to corporate taxpayers is Rs. 45,034 crore.

(b) and (c) These exemptions are reviewed regularly and those which have outlived their utility are withdrawn.

Share prices of Reliance Group companies

1155. SHRI M.V. MYSURA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the share prices of Reliance Group companies exorbitantly increased before the public issue of Reliance Power;

(b) if so, the reasons for such exorbitant increase in share prices;

(c) whether it is a loss to small investors; and

(d) if so, whether Government has taken up any investigation on the exorbitant increase in the share prices of Reliance Group?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The prices of shares of Reliance Group Companies have moved up within the range of 8.1% to 36.94% during December 17, 2007-January 14, 2008.

(b) The price of any share moves up or down depending on the changing perceptions of investors-domestic and overseas, retail and institutional-about the economy, the sector and the company. This perception is influenced by many factors including the macro-economic environment, the growth potential of the economy, policy credibility of the government, corporate performance, domestic and international events and market sentiments.

(c) The loss or gain arising from market movements is notional. This arises continually with change in the value of the portfolios of investors with changes in prices of constituent securities. The increase in prices of shares of Reliance Group Companies indicates notional gain for all investors, including small investors.

(d) SEBI initiates investigation when there is a suspicion that price may have been manipulated. The examination of trading on exchanges in these shares did not reveal any significant concentration among the market participants.

Opening of bank accounts

1156. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that more than 50 per cent of the people in the country do not have any bank account;

(b) if so, the reasons therefor; and

(c) the reasons for not encouraging the people to open bank accounts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) As reported by the Reserve Bank of India (RBI), Scheduled Commercial

Banks (SCBs) as on March 2006 had a total of 48.51 crore accounts, of which 13.96 crore were rural accounts. As on June 30, 2007 there were a total of 71,781 commercial bank branches in the country of which 30,633 were rural branches (42.7 per cent).

In order to facilitate opening of bank accounts by sections of the population in rural areas, the RBI has taken several initiatives to encourage banks to align their policies in order to achieve the objective of financial inclusion. In this regard, on November 11, 2005, RBI issued a circular to all SCBs advising them to make available basic banking 'no-frills' accounts either with nil or very low minimum balances as well as charges that would make such accounts affordable. The other specific initiatives taken by the RBI for increasing bank transaction in villages include; pilot projects for utilizing smart cards/mobile technology to increase banks' outreach; permission given to banks to utilize the services of non-governmental organizations/self-help groups, micro-finance institutions (other than Non-bank Financial Companies) and other civil society organizations as intermediaries in providing financial and banking services; policy initiatives to facilitate diversification of business operation of regional rural banks into new areas; agreements between banks and postal authorities for using post offices as business correspondents; constitution of State-specific Working Groups to explore possibilities of greater financial inclusion.

As per RBI data, as on December 31, 2007 Public Sector Banks, Private banks and Foreign banks had together opened 1,26,17,397 'no frills' accounts. In April 2006, RBI advised all State Level Bankers' Committee (SLBC) convenor banks to initiate action for identifying at least one district in their respective State/UT for 100 percent financial inclusion. Out of 277 districts identified, 68 districts have achieved 100% financial inclusion as on 20.02.2008. The States of Himachal Pradesh & Kerala have achieved 100% financial inclusion apart from the Union Territories of Puducherry, Daman & Diu and Dadra & Nagar Haveli.

Foreign banks in rural areas

1157. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) the details of nationalized, private and foreign banks operating in the country with their branches in urban, semi-urban and rural areas, their profits during the last three years, bank-wise and year-wise;

(b) whether certain foreign banks have approached the Reserve Bank of India for permission to establish branches in rural India;

(c) if so, the details and the norms for consideration of such requests; and

(d) the details of foreign banks permitted to establish branches in rural area so far and the details of such requests pending for consideration?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Statements indicating bank-wise details of number of branches of nationalised banks, private sector banks and foreign banks in rural, semi-urban, urban and metropolitan areas, as on 31st March, 2007, and details of profit of these banks during the last three years ending March 2005, 2006 and 2007 are given in Statement I and II respectively (*See* below).

(b) and (d) Reserve Bank of India (RBI) has not received any request from foreign banks for opening branches in rural areas.